

STOCK MARKET: LESSON 5

Objective: to introduce the concept of IPO (initial public offering)
to explain the value of seeking out companies who may be involved in an IPO by doing research (Reuter's)

Activating Video: Video of Ferrari 2016 <https://www.youtube.com/watch?v=aA2GsIldpis>
(shows a red Ferrari zipping round a race track)

1. Share the story about Ferrari
 - a. Spin off from Fiat Chrysler Automobiles (IPO was \$52 and goal to raise \$9.8 billion)
 - b. Fiat Chrysler raised \$893 million by selling 17.2 million shares
 - c. Ticker symbol RACE
 - d. More shares available early next year
 - e. Considered a luxury brand rather than an automaker
 - f. It's a profitable company
 - g. Article notes that IPO market is cool and some companies waiting



2. Show videos (see below) that explains what an IPO is:

https://www.youtube.com/watch?v=S_dRC9XcDTE

Explains what an IPO is / Initial public offerings, or IPOs, explained (4 min)

<https://www.youtube.com/watch?v=iAm28xLOC30>

This shows how much money they wanted to raise and how successful they were/ the Five Biggest IPO's in U.S. History (1 min 38 sec)

https://www.youtube.com/watch?v=kjZDbVc_iLw

Shows the excitement involved at the NYSE when a company has its debut/Alibaba Celebrates it's IPO on the New York Stock Exchange (2 min 28 sec)

3. Share team rankings by comparing their graphs and percent of stocks vs. percent of shares.
4. Ask—Think what your strategy is. If it is working, do you want to take a risk and try something not on your current path of success or do you want to stay on the path you are on? Those who have a lower rank, what can you do to enhance your success? (Ask those with highest rankings to share one piece of advice.)



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5. Buy/Sell stocks after doing sound research. Remember that news links can be found on your Account Holdings page.

Sample of information students may easily access when doing research using the SMG website:

News Feed

[MarkWest unitholders approve company's sale to MPLX](#)

Tue, 01 Dec 2015 08:31:26 -0800

[Vale expects Goro nickel mine output to rise 50 pct in 2016](#)

Tue, 01 Dec 2015 08:31:01 -0800

[Russia working on basis of Turkish Stream going ahead - econ minister](#)

Tue, 01 Dec 2015 08:28:13 -0800

[Puerto Rico bonds higher, senator says "complete default"](#)